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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/392,106	09/08/1999	G. MICHAEL PHILLIPS	35512-00006	9570

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STEVEN E SHAPIRO ESQ  
MITCHELL SILBERGERG & KNUPP LL  
11377 WEST OLYMPIC BOULEVARD  
LOS ANGELES, CA 90064

EXAMINER

BASHORE, ALAIN L

ART UNIT PAPER NUMBER

3624

DATE MAILED: 09/11/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/392,106

Applicant(s)

PHILLIPS ET AL.

Examiner

Alain L. Bashore

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 06 June 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-26 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-26 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☒ The proposed drawing correction filed on 06 June 2002 is: a) ☐ approved b) ☒ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

### Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

## **DETAILED ACTION**

### ***Specification***

1. The disclosure is objected to because it contains embedded hyperlinks and/or other form of browser-executable code. Applicant is required to delete the embedded hyperlink and/or other form of browser-executable code. See MPEP § 608.01.

### ***Drawings***

2. The proposed drawing correction, filed on 6-6-02 has been disapproved. The replacement text is acceptable except for the inclusion of a hyperlink (please see the above objection to the specification).

A proper drawing correction or corrected drawings are required in reply to the Office action to avoid abandonment of the application. The correction to the drawings will not be held in abeyance.

### ***Claim Rejections - 35 USC § 112***

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 25 and 26 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The recitation to "individuals" is vague and indefinite since it is not clear to what "individuals" refer to.

***Claim Rejections - 35 USC § 101***

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claims 1-21, 25-26 are rejected under 35 U.S.C. 101 as non-statutory.

The claims as presented represent a mathematical algorithm that stands alone. While the specification discloses tangible results there is no claimed tangible result. Without a claimed tangible result, a claim reciting abstract ideas is non-statutory.

***Claim Rejections - 35 USC § 103***

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 1-4, 6-8, 10-18 and 20-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sandretto in view of Barber and Miller et al.

Sandretto discloses a method, apparatus and computer-readable medium for predicting a value of a target variable based on predictions of other variables. There is obtained historical values for the target variable at each of plural time points. Values are inherently assigned to parameters of a forecasting model to obtain a best fit of the values for the plural predictor variables to the historical values for the target variables. A value of the target value is predicted, from currently predicted values for at least a subset of the plural predictor variables using the forecasting model and the values assigned to the parameters of the forecasting model. The target variable is a measure of a value of a financial asset. Sandretto teaches utilizing regression techniques for assigning parameters of a forecasting model (col 4, lines 60-67; col 5, lines 1-19).

Sandretto does not appear to explicitly disclose:

the specific regression techniques of claims 3-4,15; and

obtaining previously predicted values for use with currently predicted values for each plural predictor variable that is also used by the forecasting model.

Barber discloses obtaining previously predicted values for use with currently predicted values for each plural predictor variable that is also used by the forecasting model ( col 1, lines 5-17; col 3, lines 30-45).

It would have been obvious to one with ordinary skill in the art to obtain previously predicted values for use with currently predicted values for each plural

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predictor variable to be used by the forecasting model to Sandretto because Miller et al teaches that predicative utility requires previously predictive values (col 2, lines 35-43).

It would have been obvious to one with ordinary skill in the art to utilized the claimed regression techniques of claims 3-4, and 15 to Sandretto, since statistical curve fitting, stepwise linear, and non-linear are all known in the statistical art per se and Sandretto teaches utilizing statistical methods as a continuing focus in the art (col 6, lines 60-67).

9. Claim 5 is rejected under 35 U.S.C. 103(a) as being unpatentable over Sandretto in view of Barber and Miller et al as applied to claims 1-4, 6-8, 10-18, and 20-24 above, and further in view of Barr et al.

Sandretto in view of Barber and Miller et al does not disclose a neural network technique.

Barr et al discloses neural network technique for predicting a measure of a financial asset (col 2, lines 47-53).

It would have been obvious to one with ordinary skill in the art to utilize a neural network technique to Sandretto since Barr et al teaches advantages of using such techniques in the art (col 2, lines 40-67).

10. Claims 9 and 19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sandretto in view of Barber and Miller et al as applied to claims 1-4, 6-8, 10-18, and 20-24 above, and further in view of admitted prior art (pages 7-8).

Sandretto in view of Barber and Miller et al does not explicitly disclose combination forecasts.

The admitted prior art discloses that combination forecasts are known in the art per se (pages 7-8 of applicant's disclosure).

It is the examiner's position that it would have been obvious to one with ordinary skill in the art to utilize combination forecasts instead of the forecast model in Sandretto in view of Barber and Miller et al because both references teach forecasts models as the substitution of one forecast model for another, in absence of expected or unobvious results.

### ***Response to Arguments***

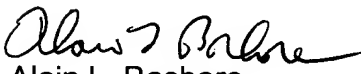
11. Applicant's arguments with respect to claims of record have been considered but are moot in view of the new ground(s) of rejection.


**Conclusion**

12. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Alain L. Bashore whose telephone number is 703-308-1884. The examiner can normally be reached on about 7:30 am to 5:00 pm (Alternate Fridays Off).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-1113.

  
Alain L. Bashore  
September 4, 2002

  
VINCENT MILLIN  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600